

PRESS RELEASE

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Date: April 15, 2016

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IRS - Criminal Investigation

CI Release #: CI-2016-04-15-B

Alaska Attorney Sentenced to Prison for Failing to File Tax Returns

A criminal defense attorney, who operated a law practice in Anchorage, Alaska, was sentenced to 14 months in prison today following his guilty plea in June 2014 to three counts of willful failure to file income tax returns, announced Acting Assistant Attorney General Caroline D. Ciraolo of the Justice Department's Tax Division.

Paul D. Stockler admitted that he failed to file federal income tax returns with the Internal Revenue Service (IRS) for the years 2006, 2008 and 2009 despite earning gross income in excess of the filing threshold. The court found that Stockler's conduct caused a tax loss to the government of \$886,058.

"This case is a reminder that no one is above the law," said Acting Assistant Attorney General Ciraolo. "Indeed, as an attorney who has defended individuals charged with financial crimes, Mr. Stockler was particularly aware of his obligations under the tax laws and the consequences of violating them. Taxpayers who willfully disregard their legal responsibilities will be held to account."

According to a sentencing memorandum filed by the government, Stockler still has not paid the more than \$800,000 in income taxes that he owed for the years 2006, 2008 and 2009. At the same time that he failed to file his tax returns and pay the taxes due, Stockler made personal expenditures for gambling, cars, and property. The government's filing also reveals that Stockler failed to file timely income tax returns for the years 2000 through 2004, 2007, 2010 and 2011, failed to file employment tax returns during the years 2004 through 2008 and failed to pay employment taxes to the IRS. According to documents filed with the court, Stockler also submitted a false Form 433-A, Collection Information Statement for Wage Earners and Self-Employed Individuals, to the IRS in 2009. A Form 433-A is used by the IRS to obtain financial information from a taxpayer to determine his ability to pay an outstanding tax liability. On the Form 433-A, which he signed under the penalties of perjury, Stockler failed to disclose certain retirement assets.

In addition to the prison term, Stockler was ordered to serve one year of supervised release and pay restitution to the IRS in the amount of \$886,058.

Acting Assistant Attorney General Ciraolo commended special agents of IRS-Criminal Investigation, who investigated the case and Trial Attorney Kevin F. Sweeney of the Tax Division and Assistant U.S. Attorney Katherine Wong of the Eastern District of Virginia, formerly of the Tax Division, who prosecuted the case.